

(a) If an audit billing notice has been issued under Section 52.135 and any outstanding audit deficiency assessment has been paid either:

- (1) voluntarily;
- (2) after a hearing was requested and the commissioner has entered a final non-appealable order concerning the assessment; or
- (3) after a final non-appealable judgment has been rendered by a court after ~~payment of an audit assessment under protest and~~ filing of a suit ~~for refund~~ under Section 52.137 ~~of this code~~, then the commissioner may not issue another deficiency assessment which covers the same issues, time periods, and leases as those covered by the previous assessment.

SECTION 10. The following provisions of the Natural Resources Code are repealed:

- (1) Section 32.102;
- (2) Section 52.137(b); and
- (3) Section 52.138.

SECTION 11. The changes in law made by Sections 52.137 and 52.139(a), Natural Resources Code, as amended by this Act, and by the repeal of Section 52.138, Natural Resources Code, apply only to an audit billing notice or a final commissioner's order, as applicable, received by a lessee on or after the effective date of this Act. An audit billing notice or a final commissioner's order, as applicable, received by a lessee before the effective date of this Act is governed by the law in effect on the date the notice or order was received, and the former law is continued in effect for that purpose.

SECTION 12. This Act takes effect September 1, 2015.

Passed the Senate on April 16, 2015: Yeas 31, Nays 0; passed the House on April 23, 2015: Yeas 139, Nays 0, two present not voting.

Approved May 5, 2015.

Effective September 1, 2015.

APPRAISAL FOR AD VALOREM TAX PURPOSES OF A REAL PROPERTY INTEREST IN OIL OR GAS IN PLACE

CHAPTER 4

S.B. No. 1985

AN ACT

relating to the appraisal for ad valorem tax purposes of a real property interest in oil or gas in place.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 23.175(a), Tax Code, is amended to read as follows:

(a) If a real property interest in oil or gas in place is appraised by a method that takes into account the future income from the sale of oil or gas to be produced from the interest, the method must use the average price of the oil or gas from the interest for the preceding calendar year multiplied by a price adjustment factor as the price at which the oil or gas produced from the interest is projected to be sold in the current year of the appraisal. The average price for the preceding calendar year is calculated by dividing the sum of the monthly average prices for which oil and gas from the interest was selling during each month of the preceding calendar year by 12. If there was no production of oil or gas from the interest during any month of the preceding calendar year, the average price for which similar oil and gas from comparable interests was selling during that month is to be used. *Except as otherwise provided by this subsection, the [The] chief appraiser shall calculate the price adjustment factor by dividing the spot price of West*

Texas Intermediate ~~[imported low-sulfur light]~~ crude oil in nominal dollars *per barrel* or the spot price of natural gas at the Henry Hub in nominal dollars *per million British thermal units*, as applicable, as projected for the current calendar year by the United States Energy Information Administration in the most recently published edition ~~[Early Release Overview]~~ of the Annual Energy Outlook by the spot price of *West Texas Intermediate* ~~[imported low-sulfur light]~~ crude oil in nominal dollars *per barrel* or the spot price of natural gas at the Henry Hub in nominal dollars *per million British thermal units*, as applicable, for the preceding calendar year as stated in the same report. *If as of March 1 of the current calendar year the most recently published edition of the Annual Energy Outlook was published before December 1 of the preceding calendar year, the chief appraiser shall use the projected current and preceding calendar year spot price of West Texas Intermediate crude oil in nominal dollars per barrel or the spot price of natural gas at the Henry Hub in nominal dollars per million British thermal units, as applicable, as stated in the Short-Term Energy Outlook report published in January of the current calendar year by the United States Energy Information Administration in the price adjustment factor calculations.* The price for the interest used in the second through the sixth calendar year of the appraisal may not reflect an annual escalation or de-escalation rate that exceeds the average annual percentage change from 1982 to the most recent year for which the information is available in the producer price index for domestically produced petroleum or for natural gas, as applicable, as published by the Bureau of Labor Statistics of the United States Department of Labor. The price for the interest used in the sixth calendar year of the appraisal must be used in each subsequent year of the appraisal.

SECTION 2. This Act applies only to the appraisal for ad valorem tax purposes of a real property interest in oil or gas in place for a tax year beginning on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2016.

Passed the Senate on April 14, 2015: Yeas 31, Nays 0; passed the House on April 23, 2015: Yeas 137, Nays 2, two present not voting.

Approved May 5, 2015.

Effective January 1, 2016.

ALTERNATIVE METHODS FOR SATISFYING CERTAIN PUBLIC HIGH SCHOOL GRADUATION REQUIREMENTS, INCLUDING THE USE OF INDIVIDUAL GRADUATION COMMITTEES

CHAPTER 5

S.B. No. 149

AN ACT

relating to alternative methods for satisfying certain public high school graduation requirements, including the use of individual graduation committees.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 12.104, Education Code, is amended by adding Subsection (b-2) to read as follows:

(b-2) An open-enrollment charter school is subject to the requirement to establish an individual graduation committee under Section 28.0258. This subsection expires September 1, 2017.

SECTION 2. Section 28.025, Education Code, is amended by adding Subsection (c-6) to read as follows:

(c-6) Notwithstanding Subsection (c), a person may receive a diploma if the person is eligible for a diploma under Section 28.0258. This subsection expires September 1, 2017.